

Wednesday, February 27, 2008

The Board met at its offices at 5901 Green Valley Circle, Culver City, at 9:30 a.m., Dr. Chu, Chair, Ms. Yee, Vice Chairwoman, Mr. Leonard and Ms. Steel present, Ms. Mandel present on behalf of Mr. Chiang in accordance with Government Code section 7.9.

LEGAL APPEALS MATTERS, CONSENT

With respect to the Legal Appeals Matters Consent Agenda, upon a single motion of Ms. Steel, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board rescinded its action of Tuesday, February 26, 2008.

The Board deferred consideration of the following matters: *Finn Moller, 288211 (AS)*; and, *Smiland Paint Company, 52753, 135675, 139295, 165511, 214982, 259644, 306866, 346955 (MT)*.

With respect to the Legal Appeals Matters Consent Agenda, upon a single motion of Ms. Mandel, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board made the following orders:

Jun Ja Hwang, 259556 (AS)

7-1-00 to 6-9-03, \$35,339.11 Tax, \$3,533.96 Negligence Penalty

Action: Deny the petition for rehearing as recommended by the Appeals Division.

Finn Moller, 288211 (AS)

4-1-00 to 6-30-01, \$149,107.82 Tax, \$47,263.80 Penalties

Action: The Board took no action.

Nelma International, Inc., 336134 (AC)

1-1-01 to 12-31-03, \$77,073.36 Tax

Action: Redetermine as recommended by the Appeals Division.

Angel M. Becerra, 341586 (AA)

1-1-01 to 9-30-03, \$181,192.79 Tax, \$18,119.30 Negligence Penalty, \$14,511.27 Amnesty Negligence Penalty

Action: Redetermine as recommended by the Appeals Division.

Paul Joseph Hibler, 332012 (AC)

10-1-96 to 9-30-99, \$361,093.79 Tax, \$107,783.61 Fraud Penalty, \$42,993.22 Finality Penalty

Action: Redetermine as recommended by the Appeals Division.

Peter Peter Kourkoulis, 349458 (EAA)

1-1-99 to 9-30-99, \$5,604.97 Tax, \$2,576.51 Penalty

Action: Redetermine as recommended by the Appeals Division.

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Robert L. Arcinaga, 353094 (EH)

10-1-97 to 5-31-02, \$17,455.23 Tax, \$13,714.89 Penalties

Action: Redetermine as recommended by the Appeals Division.

Michael A. Long, 358973 (AA)

1-1-03 to 6-30-03, \$26,237.13 Tax, \$5,258.20 Penalties

Action: Redetermine as recommended by the Appeals Division.

Abdallah E. Bezan, 328679 (EH)

7-1-00 to 6-30-03, \$44,266.01 Tax, \$7,826.85 Penalty

Action: Redetermine as recommended by the Appeals Division.

Smiland Paint Company, 52753, 135675, 139295, 165511, 214982, 259644, 306866, 346955 (MT)

1997, \$35,996.00 Fee Assessment

1998, \$37,784.00 Fee Assessment

1999, \$40,963.00 Fee Assessment

2001, \$38,284.00 Fee Assessment

2002, \$46,314.00 Fee Assessment

2003, \$46,967.00 Fee Assessment

2004, \$00.00 Fee Assessment

2005, \$00.00 Fee Assessment

Action: The Board took no action.

Ahmad Moussavi and Masoumeh Jefari, 417473 (ET)

May 31, 2007, \$1,275.46 Approximate Value

Action: Determined that staff properly seized the tobacco products.

Jasbir Singh, 423120 (ET)

August 21, 2007, \$379.44 Approximate Value

Action: Determined that staff properly seized the tobacco products.

SALES AND USE TAX APPEALS HEARINGS

Juan M. Perez, 330117 (AA)

7-1-01 to 3-31-04, \$156,368.71 Tax, \$47,797.44 Penalties

For Petitioner:

John O. Kent, Attorney

Juan Perez, Taxpayer

Juan Perez, Jr., Witness

For Sales and Use Tax Department:

Robert Tucker, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether adjustments are warranted to the computation of unreported taxable sales by the Sales and Use Tax Department.

Whether the Department used proper testing procedures for sales for resale and labor.

Whether taxpayer was negligent.

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Whether the finality penalty should be relieved.

Action: Upon motion of Ms. Yee, seconded by Ms. Steel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision, granting the petitioner 30 days to file supporting documents, the Department 30 days to respond, and the Appeals Division 30 days thereafter to review the petitioner's supporting documents, the Department's response and provide its recommendation to the Board.

McMurphy's Restaurant & Tavern, LLC, 283273, 287643 (AP)

4-1-00 to 3-31-03, \$173,991.40 Tax, \$35,210.90

For Petitioner: Eric Leitstein, Taxpayer

For Sales and Use Tax Department: Sandy McCaleb, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether further adjustments should be made to the audited understatement of reported taxable sales.

Whether the audited understatement is the result of negligence.

Whether relief from the 10 percent finality penalty should be granted.

Whether the claim for refund should be granted.

Ms. McCaleb announced that the Sales and Use Tax Department recommends that the theft allowance be increased to 3 percent.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Ralph I. Weinberger, 270407 (AP)

Catherine S. Weinberger, 270408 (AP)

4-1-01 to 11-30-03, \$163,234.35 Tax, \$19,516.95 Penalty

For Petitioner Ralph I. Weinberger: No Appearance

For Petitioner Catherine Weinberger: Elliott R. Speiser, Attorney

William Chu, Enrolled Agent

For Sales and Use Tax Department: Cary Huxsoll, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether petitioners are liable as responsible persons under Revenue and Taxation Code section 6829 for Triangle's unpaid tax liability, penalties, and interest.

Action: Upon motion of Ms. Yee, seconded by Ms. Steel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition of *Catherine S. Weinberger, 270408*, be deferred for a new appeals conference.

Upon motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition of *Ralph I. Weinberger, 270407*, be redetermined as recommended by the Appeals Division.

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California Offset Printers, Inc., 285902, 244412 (AP)

7-1-00 to 6-30-03, \$247,329.95 Tax

For Petitioner:

Joel Sachs, Attorney

William R. Rittwage, Taxpayer

For Sales and Use Tax Department:

Christine Bisauta, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner's retail sales of special printing aids were subject to tax and whether adjustments are warranted to the audited amount of those sales.

Whether petitioner is entitled to a refund of tax paid in purchases of thermal plates that were resold.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Ms. Mandel stated that the Controller would not participate in the matters of *Don Ricardo's Restaurant, Inc.*, 42025; and, *Padrino's, Inc.*, 42029.

Don Ricardo's Restaurant, Inc., 42025 (AP)

4-1-95 to 12-31-96, \$37,111.60 Tax, \$3,711.16 Penalty

Padrino's, Inc., 42029 (AC)

4-1-95 to 3-31-98, \$179,168.19 Tax, \$17,916.81 Penalty

For Petitioner:

Joseph Vinatieri, Attorney

Graham Hoad, Representative

For Sales and Use Tax Department:

Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the evidence supports a reduction in the amounts of audited taxable sales.

Whether petitioners were negligent.

Action: Upon motion of Ms. Yee, seconded by Ms. Steel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard and Ms. Steel voting yes, Ms. Mandel not participating, the Board ordered that the petition be submitted for decision.

Cuong Yen Phung, 330121, 380407 (EA)

10-1-01 to 7-31-03, \$153,536.15 Tax, \$65,446.74 Penalties

For Petitioner:

Hai V. Dang, Representative

Cuong Yen Phung, Taxpayer

Vin H.C. Tu, Taxpayer

For Sales and Use Tax Department:

Trecia Nienow, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether adjustments are warranted to the audited of unreported taxable sales.

Whether taxpayer was negligent.

Whether taxpayer has established reasonable cause to grant relief of the 10 percent penalty added for failure-to-file the third quarter 2003 return or for the penalty added for failure to timely pay the determination.

Whether taxpayer's claim for refund should be granted.

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Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

ANNOUNCEMENT OF CLOSED SESSION

The Board recessed at 12:15 p.m. and reconvened immediately in closed session with Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel present.

CLOSED SESSION

The Board met to discuss pending litigation (Gov. Code § 11126(e)) and personnel matters (Gov. Code § 11126(a)).

The Board recessed at 1:30 p.m. and reconvened immediately in open session with Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel present.

SALES AND USE TAX APPEALS HEARINGS

Sevan Aslanyan, 307990 (AC)

10-1-96 to 8-31-01, \$180,053.23 Tax, \$0.00 Penalty

For Petitioner:

Sevan Aslanyan, Taxpayer
Bennett Spiegel, Attorney
Lori Sinanyan, Attorney

For Sales and Use Tax Department:

Carla Caruso, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the unpaid tax liability for which petitioner is being held personally liable under Revenue and Taxation Code section 6829 became due during the period from October 1, 1996, to December 31, 1996, when he was a responsible person.

Whether petitioner is liable under section 6829 for the unpaid interest that had accrued on taxes paid prior to issuance of the determination to petitioner.

Whether the Notice of Determination was timely issued.

Whether petitioner's personal liability as a responsible person for the company's unpaid tax liability was discharged in his bankruptcy filing.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Advanced Bionics Corporation, 283197 (AC)

7-1-00 to 6-30-03, \$544,916.44 Tax

For Petitioner:

Terry L. Polley, Attorney
Todd Whitehurst, Witness
Douglas Lynch, Witness

For Sales and Use Tax Department:

Trecia Nienow, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

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Issue: Whether sales of the external components and accessories of the cochlear implant are exempt from sales tax.

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be granted and the tax be redetermined accordingly; and, referred the issue to the Business Taxes Committee to amend Regulation 1591, *Medicines and Medical Devices*.

Tram Anh Thi Duong, 249652 (EA)

5-16-00 to 10-31-02, \$260,376.03 Tax, \$26,239.84 Negligence Penalty

For Petitioner: Thomas Wolfson, Representative

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner has established that additional reductions to the estimated unreported taxable sales are warranted.

Whether petitioner was negligent.

Mr. Wolfson announced that the petitioner would like to waive the oral hearing.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Star Crest Products of California, Inc., 89000443130, 89000443190 (EH)

1-1-93 to 6-30-96, \$464,696.90 Tax, \$0.00 Penalty

For Petitioner: Thomas W. Henning, Attorney

Glenn Bystrom, CPA

For Sales and Use Tax Department: Bradley Heller, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether it was proper to use the Paid Invoice Registers to establish taxable sales in this audit.

Whether further adjustments are warranted for allowable returned merchandise deductions for the second quarter 1996.

Whether all of petitioner's purchases of mailing lists were subject to a one-time use restriction based on trade usage, even if not included as an explicit written provision of the purchase contract, and thus exempt from tax.

Petitioner proposed that the returned merchandise deduction should be allowed for the second quarter 1996 with respect to returns in exchange for a full refund of the sale price plus applicable sales tax, even if no portion of the handling fee was refunded, if the customer had returned half or fewer of the items purchased, and that the disputed deductions should otherwise be disallowed. The Department agreed to this proposal.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

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SPECIAL TAXES APPEALS HEARINGS

Markos Demitrios Kaffatos, 255852 (ET)

7-1-02 to 10-31-02, \$191,574.00 Tax, \$19,157.40 Penalty

For Petitioner:

Douglas Plazak, Attorney

Markos Kaffatos, Taxpayer

Voula Kaffatos, Witness

George T. Feles, Accountant

For Property and Special Taxes Department: Monica Brisbane, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner is liable for the determined tax on distribution of cigarettes.
Whether petitioner was negligent.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Mr. Leonard requested staff to pursue Mr. Bagdassarian for collection of sales tax on stolen cigarettes.

ARA Tobacco USA, Inc., 283152 (ET)

6-05-03 to 11-30-03, \$208,278.00 Tax, \$20,827.80 Penalty

For Petitioner:

Jilbert Tahmazian, Attorney

For Property and Special Taxes Department: Monica Brisbane, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner's reliance upon alleged erroneous oral advice from the Board warrants relief from the applicable tax.

Whether petitioner was negligent.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Revocation Appeal Hearing

Ghassan Elmalih, 330138 (ET)

August 3, 2005

For Appellant:

Nolan F. King, Attorney

Ghassan Elmalih, Taxpayer

For Property and Special Taxes Department: Monica Brisbane, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether appellant's Cigarette and Tobacco Products Retailer's License should be revoked due to the appellant's continued sales of cigarette and tobacco products after his license had been suspended.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the appeal be submitted for decision.

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**FINAL ACTION ON SALES AND USE TAX APPEALS HEARINGS HELD
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McMurphy's Restaurant & Tavern, LLC, 283273, 287643 (AP)

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the theft allowance be increased to 3 percent as recommended by the Department, and that the petition otherwise be redetermined as the Appeals Division had recommended.

California Offset Printers, Inc., 285902, 244412 (AP)

Final Action: Upon motion of Ms. Mandel, seconded by Ms. Yee and duly carried, Dr. Chu, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Ms. Steel voting no, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Don Ricardo's Restaurant, Inc., 42025 (AP)

Padrino's, Inc., 42029 (AC)

Final Action: Ms. Yee moved that the petitions be redetermined as recommended by the Appeals Division. The motion was seconded by Dr. Chu but failed to carry, Dr. Chu and Ms. Yee voting yes, Mr. Leonard and Ms. Steel voting no, Ms. Mandel not participating.

The Board deferred consideration of this matter to the March Sacramento meeting.

Cuong Yen Phung, 330121, 380407 (EA)

Final Action: Ms. Steel moved that the petition be returned to the Department for a reaudit. The motion was seconded by Mr. Leonard but failed to carry, Mr. Leonard and Ms. Steel voting yes, Dr. Chu, Ms. Yee and Ms. Mandel voting no.

Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that amnesty interest penalty be relieved if, within 30 days of the Notice of Redetermination, petitioner either: pays the full amount of tax and interest due; or enters into an installment agreement with the Sales and Use Tax Department for full payment of the tax and interest due within 13 months, and successfully completes that installment agreement; otherwise redetermine as recommended by the Appeals Division.

SALES AND USE TAX APPEALS HEARING

Contractors Management Services, Inc., 298908 (AS)

10-1-00 to 12-31-03, \$271,142.95 Tax, \$8,485.78 Negligence Penalty

For Petitioner: Appearance Waived

For Sales and Use Tax Department: Trecia Nienow, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner has established that it is entitled to its claimed deductions for wallboard spreading and spreading fees.

Whether petitioner was negligent

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Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARING HELD
FEBRUARY 27, 2008**

Sevan Aslanyan, 307990 (AC)

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Star Crest Products of California, Inc., 89000443130, 89000443190 (EH)

Final Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that, as to returned merchandise deductions, in accordance with the parties' agreement, the disputed deductions be allowed for each transaction where the customer had returned half or fewer of the items purchased and that the disputed deductions otherwise be disallowed.

Ms. Yee moved that the petition be redetermined as recommended by the Appeals Division as to the remaining issues. The motion was seconded by Dr. Chu. Ms. Yee rescinded her motion.

Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division as to the issue of Paid Invoice Registers.

Ms. Yee moved that the petition be redetermined as recommended by the Appeals Division as to mailing lists. The motion was seconded by Dr. Chu but failed to carry, Dr. Chu and Ms. Yee voting yes, Mr. Leonard, Ms. Steel and Ms. Mandel voting no.

Upon motion of Ms. Steel, seconded by Mr. Leonard and duly carried, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, Dr. Chu and Ms. Yee voting no, the Board ordered that the petition be granted as to the mailing lists and the tax be redetermined accordingly.

**FINAL ACTION ON SPECIAL TAXES APPEALS HEARINGS HELD FEBRUARY 27,
2008**

Markos Demitrios Kaffatos, 255852 (ET)

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and duly carried, Dr. Chu, Ms. Yee and Ms. Mandel voting yes, Mr. Leonard and Ms. Steel voting no, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

ARA Tobacco USA, Inc., 283152 (ET)

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and duly carried, Dr. Chu, Ms. Yee and Ms. Mandel voting yes, Mr. Leonard and Ms. Steel voting no, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

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Ghassan Elmalih, 330138 (ET)

Final Action: Ms. Steel moved that the appeal be granted. The motion was seconded by Mr. Leonard but failed to carry, Mr. Leonard and Ms. Steel voting yes, Dr. Chu, Ms. Yee and Ms. Mandel voting no.

Upon motion of Ms. Yee, seconded by Ms. Mandel and duly carried, Dr. Chu, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Ms. Steel voting no, the Board ordered that the appeal be denied as recommended by the Appeals Division.

SALES AND USE TAX MATTERS, CREDITS, CANCELLATIONS AND REFUNDS, CONSENT

The Board deferred consideration of the following matter: *Star Crest Products of California, Inc., 424691 (EH)*.

With respect to the Sales and Use Tax Matters, Credits, Cancellations and Refunds, Consent Agenda, upon a single motion of Ms. Yee, seconded by Ms. Steel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board made the following orders:

Plastic Engineering Tech, LLC, 426619 (EH)

11-03-05 to 12-31-05, \$51,400.64

Action: Approve the credit and cancellation as recommended by staff.

John Paul Jenkins, 418587 (EA)

10-1-00 to 8-31-01, \$50,292.16

Action: Approve the credit and cancellation as recommended by staff.

Premiere House, Inc., 243835 (AC)

7-1-00 to 6-30-02, \$204,477.35

Action: Approve the refund as recommended by staff.

Lagraphico.com, Inc., 424675 (AC)

1-1-05 to 9-30-05, \$52,318.51

Action: Approve the refund as recommended by staff.

Mike Thompson's Recreational Vehicles, 420664 (AA)

4-1-07 to 6-30-07, \$169,777.73

Action: Approve the refund as recommended by staff.

LBS Financial Credit Union, 351357 (EA)

1-1-03 to 12-31-06, \$889,802.51

Action: Approve the refund as recommended by staff.

Baxter Healthcare Corporation, 426177 (OHA)

7-1-00 to 6-30-03, \$291,308.63

Action: Approve the refund as recommended by staff.

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Lorenzo Gallardo Hernandez, 417433 (KHO)

4-1-04 to 3-31-07, \$51,747.43

Action: Approve the refund as recommended by staff.

Star Crest Products of California, Inc., 424691 (EH)

1-1-01 to 6-30-04, \$448,163.00

Action: The Board took no action.

Crystal Cathedral Ministries, 376972 (EA)

7-1-03 to 9-30-06, \$65,695.95

Action: Approve the refund as recommended by staff.

Apple, Inc., 310363 (GH)

4-1-99 to 9-30-02, \$3,977,349.43

Action: Approve the refund as recommended by staff.

The Golden 1 Credit Union, 415864 (KH)

4-1-07 to 6-30-07, \$321,352.14

Action: Approve the refund as recommended by staff.

Husmann Corporation, 309237 (OHA)

1-1-02 to 6-30-05, \$618,423.79

Action: Approve the refund as recommended by staff.

Tyco Valves & Controls, Inc., 383896 (EA)

10-1-99 to 9-30-01, \$243,184.01

Action: Approve the refund as recommended by staff.

Ashton Optical Imports, Inc., 391660 (EAA)

4-1-06 to 9-30-06, \$72,762.37

Action: Approve the refund as recommended by staff.

GreatAmerica Leasing Corporation, 304956 (OHA)

1-1-02 to 6-30-05, \$60,836.56

Action: Approve the refund as recommended by staff.

Cold Open, Inc., 289157 (AS)

7-1-01 to 9-30-04, \$73,548.02

Action: Approve the refund as recommended by staff.

Wachovia Dealer Services, Inc., 416628 (EAA)

4-1-07 to 6-30-07, \$1,600,692.28

Action: Approve the refund as recommended by staff.

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VA Tech Voest M.C.E. Corporation, 389760 (OHB)

7-1-05 to 9-30-06, \$153,836.08

Action: Approve the refund as recommended by staff.

FMC Technologies, Inc., 403697 (OHA)

4-1-06 to 6-30-06, \$77,567.86

Action: Approve the refund as recommended by staff.

ATC Tower Services, Inc., 297817 (OHA)

1-1-02 to 9-30-06, \$112,561.88

Action: Approve the refund as recommended by staff.

First Financial Credit Union, 316305 (AP)

4-1-02 to 9-30-05, \$1,517,285.21

Action: Approve the refund as recommended by staff.

Netpro Computing, Inc., 417456 (OH)

4-1-07 to 6-30-07, \$96,099.49

Action: Approve the refund as recommended by staff.

Home Shopping LP, 308263 (OHA)

10-1-02 to 9-30-05, \$103,381.41

Action: Approve the refund as recommended by staff.

Mega Phase, LLC, 353768 (OHB)

11-01-98 to 3-31-05, \$115,627.56

Action: Approve the refund as recommended by staff.

Lawrence John Taylor, 396092 (CH)

4-1-04 to 12-31-06, \$61,130.97

Action: Approve the refund as recommended by staff.

Global 360 BGS, Inc., 373484 (OHC)

9-1-05 to 12-31-06, \$188,346.02

Action: Approve the refund as recommended by staff.

LEGAL APPEALS MATTER, ADJUDICATORY

Star Crest Products of California, Inc., 89000443120, 89000443180 (EH)

1-1-89 to 12-31-92, \$287,629.84 Tax, \$0.00 Penalty

Considered by the Board: Hearing Notice Sent – Appearance Waived

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Dr. Chu, Ms. Yee, Mr. Leonard, Ms. Steel and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

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The Board adjourned at 4:40 p.m.

The foregoing minutes are adopted by the Board on April 8, 2008.

Note: The following matters were removed from the calendar prior to the meeting: *Deborah A. Smith, 257883 (EAA); Anna Berardini, 288368 (AA); Stuart Brian Collins, 334426 (AS); and, Vector Design, Inc., 255265 (AC).*